Federal Communications Commission 445 12th St., S.W. Washington, D.C. 20554

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COMMENT SOUGHT ON RECIPROCAL COMPENSATION FOR CMRS PROVIDERS (CC Docket Nos. 96-98, 95-185, and WT Docket No. 97-207)

Comments Due: June 1, 2000

Reply Comments Due: June 13, 2000

On February 2, 2000, Sprint PCS filed a letter and legal memorandum requesting therein that the Federal Communications Commission (Commission), under the Communications Act (Act) and its implementing rules, confirm and clarify CMRS providers' entitlement to reciprocal compensation for all additional costs of switching or delivering to mobile customers local calls that originate on another network. On April 7, 2000, Sprint PCS filed a white paper to support and accompany its earlier letter and memorandum.

Section 252(d)(2) of the Act requires that state commissions consider the terms and conditions for reciprocal compensation to be just and reasonable only if they provide for recovery for each carrier of a "reasonable approximation of the additional costs" of call termination. The Commission defines additional compensable costs as the "forward-looking, economic cost of end-office switching that is recovered on a [traffic]-sensitive basis." Sprint PCS asserts that state commissions currently face difficulty when applying the requirements of the Act and Commission rules to CMRS networks.

Accordingly, Sprint PCS seeks guidelines for CMRS reciprocal compensation that specifically indicate that traffic-sensitive elements of a mobile network include the mobile switching center with its base station controllers, cell sites or base transceiver stations and transport to the cell sites, and radio spectrum.

We seek comment on Sprint's request for clarification regarding the specific costs that CMRS providers are entitled to recover through reciprocal compensation, pursuant to section 251(b)(5),³

47 U.S.C. § 251(b)(5).

⁴⁷ U.S.C. §252(d)(2).

In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, 11 FCC Rcd 15499, 16025 ¶ 1057 (1996).

and in accordance with section 252(d).⁴ Specifically, we also seek comment on whether Sprint is entitled to recover through reciprocal compensation the costs of wireless network elements that constitute "shared resources." We also seek comment on whether, and to what extent, asymmetrical reciprocal compensation arrangements between wireline carriers and CMRS providers are likely to alter, for better or worse, the competitive balance between these carriers, and to what extent any such effects are relevant under the terms of the Act.

This is a "permit but disclose" proceeding pursuant to §1.1206 of the Commission's rules. Presentations to or from Commission decision-making personnel are permissible provided that *ex parte* presentations are disclosed pursuant to 47 C.F.R. §1.1206(b).

Parties interested in filing comments may do so on or before June 1, 2000; reply comments are due on or before June 13, 2000. To file formally, parties must submit an original and four copies to the Office of the Secretary, Federal Communications Commission, 445 12th Street, S.W., TW-A325, Washington, D.C. 20554. In addition, parties must submit one copy to Stacy Jordan, Policy Division, Wireless Telecommunications Bureau, Federal Communications Commission, Room 3-A431, 445 12th Street, S.W., Washington, D.C. 20554, and one copy to Wanda Harris, Competitive Pricing Division, Common Carrier Bureau, Federal Communications Commission, Room 5-A452, 445 12th Street, S.W., Washington, D.C. 20554. Sprint PCS' Letter and Legal Memorandum and White Paper can be found in any of the following dockets: CC Docket Nos. 96-98, 95-185, and WT Docket No. 97-207. Comments and reply comments will be available for public inspection during regular business hours in the Reference Operations Division, Room CY-A257, 445 12th Street, S.W., Washington, D.C. 20554.

For further information concerning this proceeding, contact Stacy Jordan, Policy Division, Wireless Telecommunications Bureau at (202) 418-1310 or Wanda Harris, Competitive Pricing Division, Common Carrier Bureau at (202) 418-1540.

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⁴ 47 U.S.C. § 252(d)(2).